

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

TRACY E. PALMEN,)	
)	
Plaintiff,)	
)	
v.)	C.A. No. 05-166-SLR
)	
DAVID WENDKOS and DAVID)	
STACY OF DELAWARE, INC.,)	<u>JURY TRIAL DEMANDED</u>
t/a CASTLE DEALERSHIPS,)	
)	
Defendants.)	

DEFENDANTS' INITIAL RULE 26(a)(1) DISCLOSURES

A. Individuals Likely to have Discoverable Information

John Wendkos
Don Lavin
Castle Dealerships

David Wendkos
912 White Marlin Way
Annapolis, Maryland 21401

Edward J. Gavin
202 W. 9th Street
New Castle, Delaware 19720

Edward A. Brown
314 Society Hill
Cherry Hill, New Jersey 08003

Robert Weisen
139 Locust Avenue
Springfield, Pennsylvania 19064

Luca M. Foglia
2431 S. Bancroft Street
Philadelphia, Pennsylvania 19145

Troy Mann
437 Willow Drive
Elkton, Maryland 21921

Scott R. Honigman
P.O. Box 11523
Wilmington, Delaware 19850

Ruth A. Rivera
140 Rodney Drive
New Castle, Delaware 19720

B. Documents

Attached hereto are all documents (Castle pages 1 to 59) in the possession, custody or control of the Defendants that Defendants may use to support their defenses.

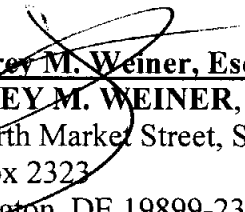
C. Damages

Not applicable.

D. Insurance Agreement

To be supplied.

FOX ROTHSCHILD LLP


/s/ Jeffrey M. Weiner, Esquire #403
JEFFREY M. WEINER, ESQUIRE #403
919 North Market Street, Suite 1300
P.O. Box 2323
Wilmington, DE 19899-2323
(302) 654-7444
Counsel for Defendant

DATED: May 4, 2005

CASTLE DEALERSHIPS

APPLICATION FOR EMPLOYMENT

Position Desired:

Finance Mgr / Sales mgr
☒ Full time
☐ Part time
Date 9-11-02

WE ARE AN EQUAL OPPORTUNITY EMPLOYER APPLICANT'S STATEMENT

I understand that if I am hired, my employment will be for no definite period, regardless of the period of payment of my wages. I further understand that I have the right to terminate my employment at any time with or without notice, and the Company has the same right. No one other than the President of the Company has authority to modify this relationship or make any agreement to the contrary. Any such modification or agreement must be in writing.

I understand that the Company reserves the right to require me to submit to a drug test at any time and also reserves the right to require me to submit to an alcohol test and/or medical examination to the extent permitted by law.

I authorize the Company to investigate my driving record, my criminal record and my credit history, and I understand that an investigative consumer report may be prepared whereby information is obtained through personal interviews with neighbors, friends and others with whom I am acquainted. This inquiry would include information as to my character, general reputation, personal characteristics and mode of living. I understand that I have the right to make a written request within a reasonable period of time to receive additional detailed information about the nature and scope of this investigation.

I further understand that the Company may contact my previous employers and I authorize those employers to disclose to the Company all records and other information pertinent to my employment with them. I also authorize the Company to provide truthful information concerning my employment with it to my future prospective employers and I agree to hold it harmless for providing such information.

I certify that all of the information that I provide on this application and in any interview will be true and accurate. I understand that if I am employed and any such information is later found to be false or misleading in any respect, I may be dismissed.

DO NOT SIGN UNTIL YOU HAVE READ AND UNDERSTAND THIS STATEMENT

9-11-02
 Date

Tracy D. Palmer
 Signature of Applicant

PERSONAL DATA

 Name Palmer Tracy Elizabeth
 (Print) Last First Middle

 Social Security No. 213064847

 Present Address 133 Hill Top Dr. Chestertown md
 Street and Number City State

 How long have you lived there? 3
 Years Months

 Previous Address 340 Ridge Rd. Westminster md
 Street and Number City State

 How long did you live there? 5
 Years Months

 Telephone No. (410)-810-1761 Cell 410-961-3746

 Are you 18 years of age or older? ☐ Yes ☐ No

 Have you ever worked for this Company before? ☐ Yes ☒ No If Yes, please give dates and position:

 Do you have any friends or relatives working here? ☐ Yes ☒ No If Yes, Name: Relationship:

 How would you get to and from work? Automobile

 Have you ever pled guilty or "no contest" to a crime or been convicted of a crime? ☐ Yes ☒ No

If Yes, please give date and details of each:

NOTE: Answering "Yes" to this question does not constitute an automatic bar to employment. Only those crimes which are substantially related to the position you are seeking will be considered.

Castle Dealerships

RECORD OF PREVIOUS EMPLOYMENT

Please list the names of your present or previous employers in chronological order with present or last employer listed first. Be sure to account for all periods of time including military service and any period of unemployment. If self-employed, give firm name and supply business references.

Present or Last Employer <u>Preston Line / mnc.</u> Address <u>7716 Ocean Gateway</u> City, State, Zip Code <u>Easton md.</u> Telephone <u>(410) 822-5252</u>	Employed From (mo/yr) <u>3-02</u> To (mo/yr) <u>8-02</u>	Pay Start \$ <u>Comm.</u> Final \$ <u>Comm.</u>	Your Title or Position <u>New Car Sales Mgr.</u> <u>Finance Director</u> Name and Title of Last Supervisor <u>Jim Ehler</u>	Reason for Leaving <u>Moving to PA.</u> (Difference between Com: myself).
Previous Employer <u>Tate Automotive</u> Address <u>Ritchie Hwy.</u> City, State, Zip Code <u>Glen Burnie md.</u> Telephone <u>(410) 768-9400</u>	Employed From (mo/yr) <u>3-00</u> To (mo/yr) <u>11-01</u>	Pay Start \$ <u>Comm.</u> Final \$ <u>Comm.</u>	Your Title or Position <u>Finance Director</u> Name and Title of Last Supervisor <u>Chuck Edwards</u>	Reason for Leaving <u>Sold Franchise.</u>
Previous Employer <u>Koons Automotive</u> Address <u>375 Balt. Natl. Pike</u> City, State, Zip Code <u>Westminster md</u> Telephone <u>(410) 857-1400</u>	Employed From (mo/yr) <u>4-96</u> To (mo/yr) <u>10-99</u> <u>2-</u>	Pay Start \$ <u>Comm.</u> Final \$ <u>Comm.</u>	Your Title or Position <u>GSM</u> <u>Finance Director</u> Name and Title of Last Supervisor <u>John Laudenslager</u>	Reason for Leaving <u>Hours. (80+)</u>
Previous Employer <u>Jim Slemmon Jeep</u> Address <u>Ocean Gate</u> City, State, Zip Code <u>San Clemente CA.</u> Telephone	Employed From (mo/yr) <u>2-90</u> To (mo/yr) <u>3-96</u>	Pay Start \$ <u>Comm.</u> Final \$ <u>Salary comm.</u>	Your Title or Position <u>Sales Mgr.</u> Name and Title of Last Supervisor <u>Jim Krausman</u>	Reason for Leaving <u>Store closed, moved to md.</u>
Previous Employer <u>Morong Jeep Eagle</u> Address <u>Old Brunswick Rd</u> City, State, Zip Code <u>Brunswick me.</u> Telephone <u>(207) 725-0089</u>	Employed From (mo/yr) <u>6-87</u> To (mo/yr) <u>9-89</u>	Pay Start \$ <u>Comm.</u> Final \$ <u>Comm.</u>	Your Title or Position <u>Sales</u> Name and Title of Last Supervisor <u>Skip Donovan</u>	Reason for Leaving <u>husband was transferred to CA.</u>

Have you ever been terminated or asked to resign from any job? ☐ Yes ☒ No If Yes, please explain circumstances: _____

Please explain fully any gaps in your employment history: 1989 - to 2/90 moved cross country.

May we contact your current employer? ☐ Yes ☐ No. If No, please explain: _____

PREVIOUS EXPERIENCE

Please indicate any actual experience that you have had in any of the following positions.

OFFICE	SALES/LEASING	SERVICE AND REPAIR	PARTS
<input type="checkbox"/> CONTROLLER	<input checked="" type="checkbox"/> SALES MANAGER	<input type="checkbox"/> SERVICE MANAGER	<input type="checkbox"/> PARTS MANAGER
<input type="checkbox"/> OFFICE MANAGER	<input checked="" type="checkbox"/> NEW CAR SALES	<input type="checkbox"/> SERVICE ADVISOR	<input type="checkbox"/> PARTS COUNTER
<input checked="" type="checkbox"/> BOOKKEEPER	<input checked="" type="checkbox"/> USED CAR SALES	<input type="checkbox"/> DISPATCHER	<input type="checkbox"/> PARTS STOCKER
<input type="checkbox"/> ACCOUNTS RECEIVABLE	<input checked="" type="checkbox"/> TRUCK SALES	<input type="checkbox"/> SHOP FOREMAN	<input type="checkbox"/> PARTS DRIVER
<input type="checkbox"/> ACCOUNTS PAYABLE	<input checked="" type="checkbox"/> F & I MANAGER	<input type="checkbox"/> MECHANIC/TECHNICIAN	OTHER
<input checked="" type="checkbox"/> PAYROLL CLERK	<input checked="" type="checkbox"/> LEASING MANAGER	<input type="checkbox"/> ELECTRICIAN	<input type="checkbox"/> _____
<input checked="" type="checkbox"/> TAG/TITLE CLERK	<input type="checkbox"/> FLEET MANAGER	<input type="checkbox"/> HELPER	<input type="checkbox"/> _____
<input type="checkbox"/> WARRANTY CLERK	<input type="checkbox"/> TRUCK MANAGER	<input type="checkbox"/> PAINTER	
<input type="checkbox"/> DATA ENTRY	<input checked="" type="checkbox"/> USED CAR MANAGER	<input type="checkbox"/> BODY REPAIR	
<input checked="" type="checkbox"/> CASHIER	<input checked="" type="checkbox"/> AFTER MARKET SALES	<input type="checkbox"/> GET READY/PREP	

EDUCATION

School Name	Years Completed: (Circle)	Diploma/Degree	Describe Course of Study or Major	Describe Specialized Training, Experience, Skills, and Extra-Curricular Activities
Elementary Laurel Elem.	4 5 6 7 (8)	Diploma	—	—
High School Beunswick High	9 10 11 (12)	Diploma	accounting	—
College/University New Hampshire CC	1 (2) 3 4	—	Accounting	business mgmt accounting
Graduate/Professional	1 2 3 4			
Trade or Correspondence JMA F i d		Diploma	Finance	finance & insurance training
Other Ford motor credit		Diploma	Finance	" "

EMERGENCY INFORMATION

In case of an accident or other emergency, who should we contact?

Name <u>Corey Palmen</u>	Relationship <u>ex husband</u>
Home address <u>133 Hill Top Dr. Chester town</u> Street City State MD.	Telephone <u>(410) 810-3158</u>
Work address <u>12 Old Bay Barclay MD</u> Street City State	Telephone <u>(410) 438-1700</u>

PERSONAL REFERENCES

Please list persons who know you well -- Not previous employers or relatives

Name	Occupation	Address (Street, City and State)	Telephone Number	Number of Years Known
Tina Wilson	Sales person	116 Chapel Rd. Easton MD	(410) 253-5518	2
Karl Kinder	marina mgr	48966 Haven Rd. Rock Hall MD	(410) 639-2114	4
Michael Mellon	President of Stone Bay Inc	Columbia MD	(410) 530-9385	1
Mike Keckler	Rep of Fed Motor credit	White Marsh MD	(800) 777-0300	2

DRIVING INFORMATION

Do you have a current driver's license? ☒ Yes ☐ NoState: MDLic. No.: P455803 210537Expiration Date: 07-06-03Has your driver's license ever been suspended or revoked? ☐ Yes ☒ No

If Yes, please explain circumstances: _____

Do you have personal automobile insurance? ☒ Yes ☐ NoName of Insurance Company: United Farm FamilyHas your personal automobile insurance ever been cancelled? ☐ Yes ☒ No

If Yes, please explain circumstances: _____

Have you ever been cited for driving under the influence (DUI) or driving while intoxicated (DWI)? ☐ Yes ☒ No

If Yes, please explain circumstances and outcome: _____

Please list all moving traffic violations in the last five (5) years:

ST. Speeding 9-00 Chester town
 OC: Offense Date Location

Offense Date Location

Offense Date Location

Offense Date Location

THIS APPLICATION WILL BE CONSIDERED ACTIVE FOR A MAXIMUM OF THIRTY (30) DAYS. IF YOU WISH TO BE CONSIDERED FOR RE-ENTRY AFTER THAT TIME, YOU MUST REAPPLY.

I CERTIFY THAT ALL OF THE INFORMATION THAT I HAVE PROVIDED ON THIS APPLICATION IS TRUE AND ACCURATE.

09-11-02

Date

Tracy S. Palmer
 Signature of Applicant

To: Administration
From: John Wendkos
Date: September 28, 2002
Re: Pay Plan for Tracy Palmen

Effective October 1, 2002, the following shall serve as Tracy Palmen pay plan:

- \$900.00 per week Salary
- \$400.00 per week draw against bonus
- 1% of Total Sales and Finance Gross over \$350,000
 - Total Gross is less advertising expense in excess of \$60,000
 - Total Gross is less policy and finance charge backs
- Bonus for meeting monthly sales volume projection
 - Sales Projection shall be equal the six month rolling average plus one unit.
 - \$1,500.00 for "meets". This is defined as reaching projection.
 - \$2,000.00 for "exceeds". This is defined as exceeding projection by 10% or greater.
 - \$3,000.00 for "distinguished". This is defined as exceeding projection by 20% or greater.
- \$500.00 Bonus for meeting or exceeding Regional Average score for SSI

From October 1, 2002 through December 31, 2002, Tracy shall be paid the "meets" projection bonus automatically, as well as the SSI bonus automatically. The \$1300.00 per week shall therefore be guaranteed until the end of calendar year 2002. Effective January 1, 2003, no such guarantees shall remain in effect.

Tracy Palmen

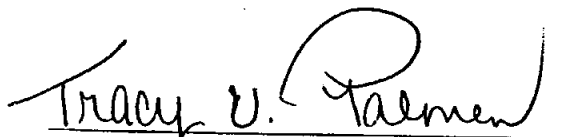
John Wendkos

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From: John Wendkos
Date: September 28, 2002
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- \$400.00 per week draw against bonus
- 1% of Total Sales and Finance Gross over \$350,000 through 2002, \$400,000 thereafter
 - Total Gross is less advertising expense in excess of \$60,000 through 2002, \$80,000 thereafter
 - Total Gross is less policy and finance charge backs
- Bonus for meeting monthly sales volume projection
 - Sales Projection shall be equal the six month rolling average plus one unit.
 - \$1,500.00 for "meets". This is defined as reaching projection.
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Tracy Palmen


John Wendkos

MVR REQUEST

CASTLE ACURA/CASTLE HYUNDAI

ASSURED'S NAME _____ ASSURED'S ACCT.# _____

ASSURED REQUESTED BY: Joyce

Name: TRACY PALMER

DOB: 7-6-69 Social Security: 213-06-7843

State: MD Lic.# P455802210537

Name: _____

DOB: _____ Social Security: _____

State: _____ Lic.# _____

Name: _____

DOB: _____ Social Security: _____

State: _____ Lic.# _____

Name: _____

DOB: _____ Social Security: _____

State: _____ Lic.# _____

Name: _____

DOB: _____ Social Security: _____

State: _____ Lic.# _____

INTER-OFFICE USE ONLY

Requested By: _____

Date requested: _____ Initials _____

Date received: _____ Initials _____

Batch Number: _____

- ◆ [TML Home Page](#)
- ◆ [Logoff your account](#)
- ◆ [Select New State](#)
- ◆ [Another Search](#)
- ◆ [Email Report](#)

TML Information Services, Inc.

Display Abstract

----- MVR HISTORY RECORD -----
 STATE: MARYLAND DATE/TIME PERFORMED: 09-30-2002 14:52
 LICENSE NUMBER: P455802210537 AMOUNT OF HISTORY: 3 YEARS

----- DRIVER INFORMATION -----
 PALMEN, TRACY, ELIZABETH DOB: 07-06-1959 HEIGHT: 5-09
 133 HILLTOP DRIVE SSN: WEIGHT: 140
 CHESTERTOWN MD 21620 CO UNTY: QA HAIR: EYE: SEX: F

LIC CLASS : CLASS C ISSUE: 08/19/1998
 CLASS DESC : NON-COMM COMBINATION < 26K
 LIC STATUS : VALID EXPIRE: 07/06/2003
 STATUS DESC : VALID

----- STATE SPECIFIC INFO -----
 PRIVACY: YES
 CLASS C TY: C
 CLASS C D: R
 CLASS C DOC: P
 ADDRESS CHANGE: 06/18/02
 TOTAL CURRENT POINTS: 01

----- DRIVING HISTORY -----

DATE	TYPE	DESCRIPTION	ACD PTS
07-16-2001	ADMI	DISTRICT COURT FAIL T O APPEAR SUSPENSION LETT ER MAILED SUMMARY: AN7448 4 7720	
07-16-2001	ADMI	DISTRICT COURT FAIL T O APPEAR SUSPENSION LETT ER MAILED SUMMARY: AN7448 5 7720	
08-08-2001	SUSP	DISTRICT COURT -FAIL TO APPEAR SUSPENDED SUMMARY: AN7448 4 7720	
08-08-2001	SUSP	DISTRICT COURT -FAIL TO APPEAR SUSPENDED SUMMARY: AN7448 5 7720	
08-10-2001	REIN	DISTRICT COURT FAIL T O APPEAR SUSPENSION WITH DRAWN SUMMARY: AN7448 4 7720	
08-10-2001	REIN	DISTRICT COURT FAIL T O APPEAR SUSPENSION WITH DRAWN SUMMARY: AN7448 5 7720	
03-24-2001	VIOLATION	DRIVE AT A SPEED NOT	994 1.0
08-10-2001	CONVICTION	REASONABLE AND PRUDEN T (MV)	

SUMMARY: AN7448 4
STATE CODE: 290 0

03-24-2001 VIOLATION
08-10-2001 CONVICTION

FAILURE TO STOP AT ST OP SIGN/
YIELD AT YIELD SIGN(M V)
SUMMARY: AN7448 5
STATE CODE: 287 0

M19

RSLT 0102 1

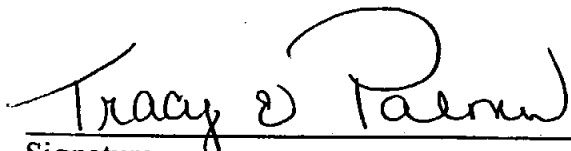
To : Joyce
FROM : Elena

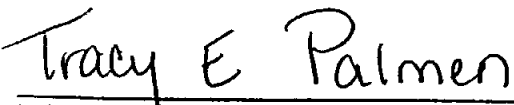
To: Employees of Castle Dealerships initiating Health and/or Dental coverage
From: Management
Date: May 14, 2002
Re: Health and Dental Coverage at termination of employment


In order to avoid confusion regarding costs of health and dental coverage should employment with Castle Dealerships terminate:

At the beginning of each month, full payment is required by the insurance companies for each employee to be covered for the coming month. This payment is NOT refundable, nor coverage cancelable after the beginning of the month. It is the policy of Castle Dealerships to pay for health and dental coverage for current employees only. At the point of termination, Castle Dealerships is no longer responsible for the cost of coverage. As such, the former employee is legally responsible for the cost of coverage for the remainder of the current month. This amount is calculated by a straight pro-ration based on total days in the month, total month's cost, and remaining days in the month. These monies may be paid by the former employee directly, deducted from any final wages due, or a combination of the two.

I have read and understand the above information.


Signature


Printed Name


Date

EMPLOYEE CONDUCT CODE- SUPPLEMENT TO THE EMPLOYEE HANDBOOK, CASTLE DEALERSHIPS

CASTLE Employees Are Prohibited From The Following Conduct:

1. Do not tell racial, sexual, religious, etc. jokes or use racial epithets even in jest.
2. Do not make offensive remarks about coworkers or customers.
3. Do not touch a fellow co-worker/ employee for any reason (No pats, kisses, hugs, back rubs, horseplay, etc.)
4. Any type of harassment, including but not limited to; sex, gender, age, race, religion, national origin, or disability.

Complaint Reporting Procedure and Resolution Process

1. Any alleged violation of the above policy must be reported immediately to your department manager or the general manager. In the event of their absence or unavailability, report the incident to the controller or available manager.
2. Interviews will be conducted with all parties involved and /or witnessed the incident.
3. Documentation of employee's statement will be placed in the employee's file.
4. The appropriate discipline will be imposed upon the harasser.
5. The employee(s) involved will be notified of the results of the investigation and the action taken.

Employee understands the above policy.

9-30-02

DATE

Tracy V. Palmer
EMPLOYEE SIGNATURE

Tracy Palmer
PRINT NAME

WORKERS' COMPENSATION EMPLOYEE NOTIFICATION

Workers' Compensation is designed to provide wage loss benefits and reimbursement for reasonable medical care for one who is injured on the job. Your employer shall provide payment for reasonable surgical and medical services, services rendered by physicians or other health care providers, medicines and supplies, as and when needed.

Your employer, in compliance with the Workers' Compensation Act, has posted a list of at least six (6) medical providers from which you are to select. You are to obtain treatment from one of the providers of your choice for thirty (30) days from the date of your first visit.

If you are faced with an immediate medical emergency, you may secure assistance from the closest hospital, physician or other health care provider of your choice. If follow up treatment is needed, you must then seek treatment from a physician or other health care provider listed on your employer's physician panel list for the first thirty (30) days from the date of your first treatment.

If during the initial 30-day period you wish to change medical providers, you must once again re-visit your employer's panel and select a new physician. If you do not seek treatment from a provider on the panel list for the initial 30 days following your first visit, your employer will not have to pay for the services rendered.

After the initial 30-day period, if additional or continued treatment is needed, you may now choose to go to another physician or health care provider of your choice. Should you decide to change providers, you must notify your employer within five (5) days of your first visit with your new provider. Failure to notify your employer will relieve your employer of the responsibility for the payment of the services rendered if such services are determined to have been unreasonable or unnecessary.

Your signature on this form indicates that you understand your rights and duties under the above provisions of the Workers' Compensation Act.

I hereby acknowledge that I have been informed of and understand my rights and duties under the Workers' Compensation Act.

Employee signature

Tracy D. Taen

Date

9-30-02

Form W-4 (2002)

Purpose. Complete Form W-4 so your employer can withhold the correct Federal income tax from your pay. Because your tax situation may change, you may want to refigure your withholding each year.

Exemption from withholding. If you are exempt, complete only lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2002 expires February 16, 2003. See Pub. 505, Tax Withholding and Estimated Tax.

Note: You cannot claim exemption from withholding if (a) your income exceeds \$750 and includes more than \$250 of unearned income (e.g., interest and dividends) and (b) another person can claim you as a dependent on their tax return.

Basic instructions. If you are not exempt, complete the **Personal Allowances Worksheet** below. The worksheets on page 2 adjust your withholding allowances based on itemized deductions, certain credits, adjustments to

income, or two-earner/two-job situations. Complete all worksheets that apply. However, you may claim fewer (or zero) allowances.

Head of household. Generally, you may claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals. See line E below.

Tax credits. You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See Pub. 919, How Do I Adjust My Tax Withholding? for information on converting your other credits into withholding allowances.

Nonwage income. If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you may owe additional tax.

Two earners/two jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others.

Nonresident alien. If you are a nonresident alien, see the Instructions for Form 8233 before completing this Form W-4.

Check your withholding. After your Form W-4 takes effect, use Pub. 919 to see how the dollar amount you are having withheld compares to your projected total tax for 2002. See Pub. 919, especially if you used the **Two-Earner/Two-Job Worksheet** on page 2 and your earnings exceed \$125,000 (Single) or \$175,000 (Married).

Recent name change? If your name on line 1 differs from that shown on your social security card, call 1-800-772-1213 for a new social security card.

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for yourself if no one else can claim you as a dependent	_____	A _____
B Enter "1" if:	<ul style="list-style-type: none"> • You are single and have only one job; or • You are married, have only one job, and your spouse does not work; or • Your wages from a second job or your spouse's wages (or the total of both) are \$1,000 or less. 	B _____
C Enter "1" for your spouse. But, you may choose to enter "-0-" if you are married and have either a working spouse or more than one job. (Entering "-0-" may help you avoid having too little tax withheld.)	_____	C _____
D Enter number of dependents (other than your spouse or yourself) you will claim on your tax return	_____	D _____
E Enter "1" if you will file as head of household on your tax return (see conditions under Head of household above)	_____	E _____
F Enter "1" if you have at least \$1,500 of child or dependent care expenses for which you plan to claim a credit (Note: Do not include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.)	_____	F _____
G Child Tax Credit (including additional child tax credit):		
<ul style="list-style-type: none"> • If your total income will be between \$15,000 and \$42,000 (\$20,000 and \$65,000 if married), enter "1" for each eligible child plus 1 additional if you have three to five eligible children or 2 additional if you have six or more eligible children. • If your total income will be between \$42,000 and \$80,000 (\$65,000 and \$115,000 if married), enter "1" if you have one or two eligible children, "3" if you have three eligible children, "4" if you have four eligible children, or "5" if you have five or more eligible children. 		G _____
H Add lines A through G and enter total here. Note: This may be different from the number of exemptions you claim on your tax return.		H <u>5</u>

For accuracy, complete all worksheets that apply.

- If you plan to itemize or claim adjustments to income and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
- If you have more than one job or are married and you and your spouse both work and the combined earnings from all jobs exceed \$35,000, see the **Two-Earner/Two-Job Worksheet** on page 2 to avoid having too little tax withheld.
- If neither of the above situations applies, stop here and enter the number from line H on line 5 of Form W-4 below.

Cut here and give Form W-4 to your employer. Keep the top part for your records.

Form W-4 Department of the Treasury Internal Revenue Service		Employee's Withholding Allowance Certificate ▶ For Privacy Act and Paperwork Reduction Act Notice, see page 2.		OMB No. 1545-0010 2002
1 Type or print your first name and middle initial Last name Tracy E. Palmen		2 Your social security number 213 06 4843		
3 Home address (number and street or rural route) 133 Hilltop Dr. City or town, state, and ZIP code Chester town MD. 21620		4 <input type="checkbox"/> Single <input checked="" type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate. Note: If married, but legally separated, or spouse is a nonresident alien, check the "Single" box. 5 If your last name differs from that on your social security card, check here. You must call 1-800-772-1213 for a new card. <input type="checkbox"/>		
5 Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2) 6 Additional amount, if any, you want withheld from each paycheck 7 I claim exemption from withholding for 2002, and I certify that I meet both of the following conditions for exemption: • Last year I had a right to a refund of all Federal income tax withheld because I had no tax liability and • This year I expect a refund of all Federal income tax withheld because I expect to have no tax liability. If you meet both conditions, write "Exempt" here		5 <u>5</u> 6 \$ _____ 7 <u>Exempt</u>		
Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or I am entitled to claim exempt status.				
8 Employer's name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.) Tracy E. Palmen		9 Office code (optional) 10 Employer identification number		
Date <u>9-30-02</u>				

CASTLE DEALERSHIPS

PERSONAL INFORMATION

Name: Palmen Tracy E
LAST FIRST M.I. NICKNAME

Address: 133 Hill Top Dr
STREET APT #
Chester town MO 21620
CITY STATE ZIP

Home Phone No.: (410) 810-3158 Social Security No.: 213 06 4843

Date of Birth: 07-06-69 Driver's Licence No. & State: _____

Spouse's Name: Corey Palmen

Dependents: Jacob Palmen Jessica Palmen
Courtney Palmen Cody Palmen

Emergency Contact: Corey Palmen (410) 810-3158
NAME PHONE NO.

COVERAGE DESIRED: (No check equals a check for NONE)

	SINGLE	FAMILY	OTHER*	NONE
Health Insurance:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dental:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature: Tracy Palmen Date: 10-1-02

*OTHER INCLUDES HUSBAND / WIFE AND PARENT / CHILD

FOR OFFICE USE ONLY

EMPLOYMENT INFORMATION

Department: Suburban Title: _____ Supervisor: _____

Compensation: _____

Employment Date: _____ Dealer Tag No.: _____



CASTLE DEALERSHIPS

120 South Dupont Highway, New Castle, DE 19720
telephone 302.323.1100 facsimile 302.323.9800

Castle Dealerships Demonstrator Agreement

IT IS UNDERSTOOD AND AGREED that in an effort to provide you with the most productive tools, Castle Dealerships is providing you with a company vehicle.

As such, you have agreed to the following terms and conditions with respect to the use of this vehicle:

1. The demonstrator ("Demo") will be selected by the dealership and will be available for demonstration use.
2. Only the employee of Castle Dealerships will be permitted to operate the vehicle. No spouses, children, or friends are permitted to use the vehicle without prior approval of management.
3. Personal use of the company vehicle should be as limited as possible. Vacation use of the vehicle is only permitted with prior approval of management.
4. You will operate the company vehicle in a lawful and safe manner at all times. As part of management's review process, your driving record will be reviewed on an annual basis. Excessive violations will result in the immediate revocation of the privilege of the use of a company vehicle.
5. A salesperson will inspect a prospective customer's driver's license and/or credit information prior to demonstrating a vehicle.
6. A salesperson will accompany the customer on any demonstration ride. Any company owned vehicle will be insured so long as a Castle Dealerships employee is in the car. Only the General Manager or President may authorize exceptions to this requirement.
7. All accidents involving the company vehicle will be reported immediately.
8. You and the vehicle are representatives of Castle Dealerships. It is your responsibility to maintain the vehicle and keep it clean.
9. The employee will furnish gasoline.

Castle Dealerships Demonstrator Agreement

Page 2

10. Castle Dealerships will provide liability, collision, comprehensive and theft insurance. Your vehicle has a \$2,500.00 collision and \$2,500.00 comprehensive deductible. The vehicle deductible for theft is \$5,000.00. The employee will be responsible for any and all deductibles incurred. The employee will be reimbursed for any deductible collected through subrogation by our insurance carrier from another source.
11. In order to prevent undue financial strain on any employee, Castle Dealerships is implementing the following: Any person provided with a demonstrator vehicle will be charged two weekly charges as deductions from payroll.
- \$15.00 – this charge will be considered “deductible coverage”. In the instance that a vehicle is damaged or stolen, this will cover that employee’s responsibility for the applicable deductible. This coverage will be void in the instance that any damage or theft is related to a documented instance of illegal activity (i.e. – driving while intoxicated).
 - \$10.00 – this will be a “demo charge”. This money will be used to cover costs to the company for depreciation, floor plan costs, oil changes (and other scheduled maintenance), and insurance costs. This charge will be in effect until July 1, 2002, at which time it will move to \$15.00. It will then rise to \$20.00 on January 1, 2003, where it will remain indefinitely.
12. EMPLOYMENT SEPARATION: Upon termination, whether voluntary or involuntary, I agree to deliver this vehicle to Castle Dealerships. Any unusual damages at the time will be considered my responsibility, and I hereby agree to pay said amount from unpaid commissions or wages earned, or if necessary, from my personal account.
13. This agreement shall apply to any company vehicle which happens to be assigned for demonstration purposes or use while in company employ.
14. Violations of any of the above terms of this Agreement will be considered sufficient grounds for immediate dismissal from the company.

I HEREBY ACKNOWLEDGE that I have read and understand the above Demonstrator Agreement.

Signed: Tracy U. Allen
(Employee Signature)

Printed Name: 10-01-02

Witness: J. Moore

Date: 10-1-02


OMB No. 1115-0136
Employment Eligibility Verification

Please read instructions carefully before completing this form. The instructions must be available during completion of this form. **ANTI-DISCRIMINATION NOTICE.** It is illegal to discriminate against work eligible individuals. Employers CANNOT specify which document(s) they will accept from an employee. The refusal to hire an individual because of a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information and Verification. To be completed and signed by employee at the time employment begins

Print Name: Last <u>Palmen</u> First <u>Tracy</u>		Middle Initial <u>E</u>	Maiden Name
Address (Street Name and Number) <u>133 Hill Top Dr.</u>		City <u>Chester town</u> State <u>MD</u>	Date of Birth (month/day/year) <u>07-06-69</u>
Zip Code <u>21620</u>		Social Security # <u>213 06 4843</u>	
I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form.		I attest, under penalty of perjury, that I am (check one of the following): <input checked="" type="checkbox"/> A citizen or national of the United States <input type="checkbox"/> A Lawful Permanent Resident (Alien # A) <input type="checkbox"/> An alien authorized to work until (Alien # or Admission #) _____	
Employee's Signature <u>Tracy E Palmen</u>		Date (month/day/year) <u>9-30-02</u>	
Preparer and/or Translator Certification. (To be completed and signed if Section 1 is prepared by a person other than the employee.) I attest, under penalty of perjury, that I have assisted in the completion of this form and that to the best of my knowledge the information is true and correct.		Preparer's/Translator's Signature _____	
Address (Street Name and Number, City, State, Zip Code) _____		Print Name _____	
Date (month/day/year) _____		Date (month/day/year) _____	

Section 2. Employer Review and Verification. To be completed and signed by employer. Examine one document from List A OR examine one document from List B and one from List C as listed on the reverse of this form and record the title, number and expiration date, if any, of the document(s)

List A	OR	List B	AND	List C
Document title: _____		<u>MD Drivers</u>		<u>SS #</u>
Issuing authority: _____		_____		<u>213 06 4843</u>
Document #: _____		_____		_____
Expiration Date (if any): <u>1/1</u>		<u>020603</u>		<u>1/1</u>
Document e: _____		_____		_____
Expiration Date (if any): <u>1/1</u>		_____		_____

CERTIFICATION - I attest, under penalty of perjury, that I have examined the document(s) presented by the above-named employee, that the above-listed document(s) appear to be genuine and to relate to the employee named, that the employee began employment on (month/day/year) 1/1 and that to the best of my knowledge the employee is eligible to work in the United States. (State employment agencies may omit the date the employee began employment).

Signature of Employer or Authorized Representative <u>[Signature]</u>	Print Name <u>M. J. [Signature]</u>	Title <u>Costy</u>
Business or Organization Name <u>David Stracy</u>	Address (Street Name and Number, City, State, Zip Code) <u>120 S Dupont Hwy New Castle DE</u>	Date (month/day/year) <u>10-4-02</u>

Section 3. Updating and Reverification. To be completed and signed by employer

A. New Name (if applicable)	B. Date of rehire (month/day/year) (if applicable)
C. If employee's previous grant of work authorization has expired, provide the information below for the document that establishes current employment eligibility.	
Document Title: _____	Document #: _____
Expiration Date (if any): <u>1/1</u>	
I attest, under penalty of perjury, that to the best of my knowledge, this employee is eligible to work in the United States, and if the employee presented document(s), the document(s) I have examined appear to be genuine and to relate to the individual.	
Signature of Employer or Authorized Representative _____	Date (month/day/year) _____

SUR
CLIENT NO. 11111
EMPLOYEE NUMBER 11111

☐ NEW EMPLOYEE
(Enter all appropriate data)
☐ CHANGE
(Enter & circle only data changed)
☐ RETIRE

DAVID STACY OF DELAWARE INC
EMPLOYEE MASTER CHANGE

DEPT. 11111 Pharmen Tracy E
LAST NAME, FIRST NAME, M.I.

LAST NAME, FIRST NAME, M.I.

HIRE DATE

LAST RAISE/TERMINATE DATE

LABOR NUMBER

MAILED SINGLE (Circle One)

INCOME TAX
ST. DEPEND
133 4111 top PR.

HIRE DATE

LAST RAISE/TERMINATE DATE

BIRTH DATE

SOCIAL SEC. NO.

STREET ADDRESS

City

STATE

ZIP

STD FED WT.

FW

ANOL \$

STD

FUTACO

FU

AMOUNT

PLEASE CHECK

DEDUCTION

CODE

AMOUNT

STD FICA

FI

FLAT PCT

STD

PENSON

P2

AMOUNT

PLEASE CHECK

DEDUCTION

CODE

AMOUNT

CTY/LC

CY

DEP ADOL \$

STD

PENSIN2

P7

AMOUNT

PLEASE CHECK

DEDUCTION

CODE

AMOUNT

STATE

ST

DEP ADOL \$

STD

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UI

AMOUNT

PLEASE CHECK

DEDUCTION

CODE

AMOUNT

UN

UD

DEP ADOL \$

STD

PEN LN

N1

AMOUNT

PLEASE CHECK

DEDUCTION

CODE

AMOUNT

DEP ADOL \$

STD

GARNSH

N2

AMOUNT

PLEASE CHECK

DEDUCTION

CODE

AMOUNT

DEP ADOL \$

STD

CR/UN

V1

AMOUNT

PLEASE CHECK

DEDUCTION

CODE

AMOUNT

DEP ADOL \$

STD

MISC.

99

AMOUNT

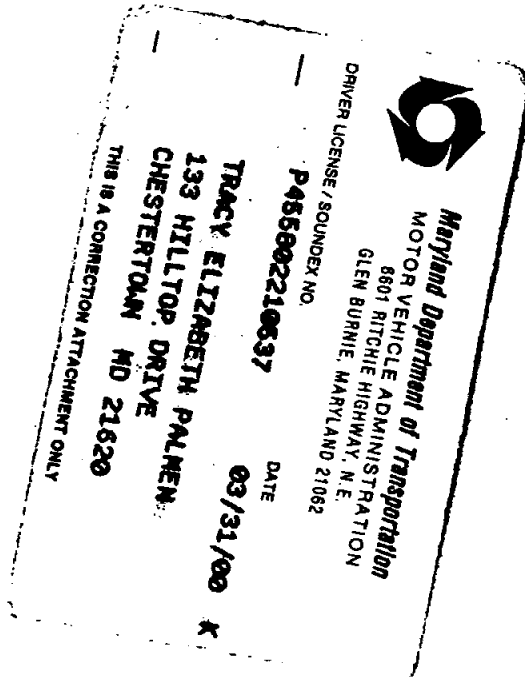
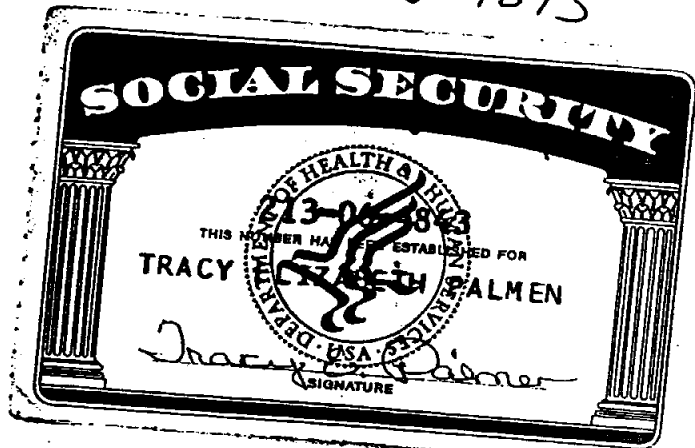
PLEASE CHECK

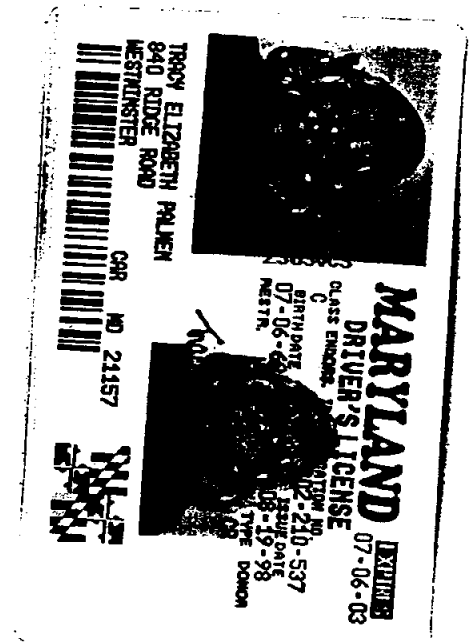
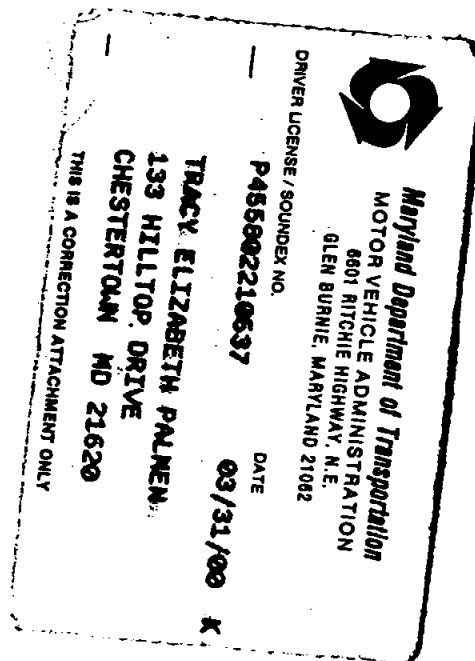
DEDUCTION

CODE

AMOUNT

213-06-4843





410-961-3746 (A)
 410-810-1761 (C)

EMPLOYEE ACKNOWLEDGEMENT OF RECEIPT

I have read the provisions of the Castle Dealerships outline and I am familiar with its terms. I understand that this outline is not a binding contract, but is a set of guidelines for use by employees and Castle Dealerships. I understand that Castle Dealerships may modify these guidelines at any time.

I further acknowledge that both Castle Dealerships and I have the right to terminate our employment relationship at any time with or without cause.

If I voluntarily terminate my employment, I will provide Castle Dealerships with advance notice.

Signed: Tracy V Palmer Social Security #: 213 064843

Date: 10-01-02

Witnessed by: J. Moore Manager

Date: 10-4-02

This handbook is the exclusive property of Castle Dealerships. I understand that terms of my employment forbid the sharing of this handbook, in any way, with any person not employed by Castle Dealerships. I agree not to share, show, lend, disseminate, copy, or give this handbook, or any parts or sections of this handbook, with or to any person outside of the organization. I understand that violation of this agreement is considered satisfactory grounds for dismissal. I understand that, upon termination of employment, no final paycheck will be offered by the Company unless and until this Handbook has been returned.

Name (printed): _____ Signed: _____

Date: 10-4-02

(Dealership Copy)

2.3 EMPLOYMENT PRACTICES (CONTINUED)

• POLICY AGAINST SEXUAL HARASSMENT

- I. It is and shall continue to be the policy of this company that its employees and their work environment shall be free from all forms of harassment and intimidation. Verbal and physical conduct of a sexual nature by any employee, supervisor, or manager, including sexual advances, requests for sexual favors, or other conduct which tends to create an intimidating, hostile, or offensive environment, is strictly forbidden.
- II. Employees who believe they are being subjected to sexual harassment by a co-worker, manager, or supervisor, or who believe that their employment is being adversely affected by such conduct, should report such incidents to their immediate manager. If necessary, such incidents may be reported to the general manager or the president, without going through the chain of command. A written complaint will be filed and the employee will be given a copy of the complaint.
- III. A prompt and thorough investigation of the complaint will be conducted and appropriate action will be taken.


If you have any questions regarding the Equal Employment Opportunity Policy or feel you may have a problem, contact your manager, your Office Manager, or your General Manager. Your concerns will be handled immediately and professionally.

2.4 OPPORTUNITIES FOR ADVANCEMENT OR TRANSFER

It is the philosophy of Castle Dealerships to promote from within if at all possible and to provide for its employees the opportunity to seek a fulfilling and rewarding career. From time to time, the Company will post in employee break rooms, openings for positions within the organization. If you have an interest in an opening and you feel you are qualified, you are strongly encouraged to apply.

If you wish to transfer to another department or store:

- You must obtain permission from your current manager to apply at another department or store. If the manager does not give permission, you have the right to make the request to the General Manager. If the General Manager and the department managers cannot agree, the Company President will make the final decision.
- If management decides that a transfer is not in the best interest of the Company and you wish to apply at another store, you may have to terminate and be re-hired at the other store. If you are hired at another store, you may be considered a new employee. In this instance, no benefits may be transferred.



HYUNDAI

23

REMITTANCE ADVICE

16204 62-8/311

AMOUNT OF CHECK
*****500.00

VOID AFTER 120 DAYS

~~*** NOT NEGOTIABLE ***~~

24

AMERIHEALTH INSURANCE COMPANY
AMERIHEALTH HMO, INC.
MELLON BANK CENTER
819 N.MARKET STREET, SUITE 1200
WILMINGTON, DE 19801-3021



SMALL EMPLOYER HEALTH BENEFITS WAIVER OF COVERAGE

EMPLOYER NAME:	Castle Dealership			GROUP NO.:	
EMPLOYEE NAME:	Tracy E. Palmen				
	Last	First	Middle		
SOCIAL SECURITY #:	213 064843		DATE OF BIRTH:	7-6-69	
	DATE OF EMPLOYMENT:				
MARITAL STATUS:	<input type="checkbox"/> Single <input checked="" type="checkbox"/> Married <input type="checkbox"/> Widowed <input type="checkbox"/> Divorced				

I was given the opportunity to enroll in this plan of group health benefits offered by my employer and insured by AmeriHealth HMO, Inc. and AmeriHealth Insurance Company. I refuse the following:

☐ Employee, Spouse, and Child(ren) coverage
☐ Spouse coverage
☐ Child(red) coverage

REASON FOR REFUSAL (Please check all appropriate boxes)

- ☒ other group coverage sponsored by my employer
☒ other group coverage sponsored by my spouse's employer
☐ other group coverage sponsored by another organization
☐ other reasons (please explain)

Please provide name of carrier, policy number and copy of employee identification card:

I understand that if I later wish to enroll for any of the coverage(s) refused, I will be required to submit an Enrollment Form, and coverage may be subject to a pre-existing conditions exclusion.

Tracy E. Palmen
 Signature of Employee

11/21/02
 Date

John Palmer
 Signature of Witness

11-21-02
 Date

4/97
 (w/hv)

** TOTAL PAGE.02 **

		Corrected month end June						
Contest to Date:		Ford	Denton	L/M	Buick	Sho-Wil	Millsboro	Carnet
6/30/02								
The Numbers								
Finance Penetration		82%	79%	69%	82%	75%	78%	93%
Service Contract Penetration		52%	40%	56%	36%	42%	54%	60%
% Over Benchmark		2%	-5%	11%	-24%	-8%	4%	10%
PVR								
% Over Benchmark		66%	35%	70%	-9%	-2%	82%	85%
Ford Credit Used Penetration		41%	29%	70%	29%	31%	46%	6%
% Over Benchmark		-4%	14%	30%	4%	-19%	-4%	-14%
Credit Insurance		15%	0%	0%	3%	0%	28%	-14%
The Standings								
Finance Penetration		2	4	7	2	6	5	1
Service Contract Penetration		4	5	1	7	6	3	2
PVR		4	5	3	7	6	2	1
Ford Credit Penetration Used		4	2	1	3	6	4	5
Credit Insurance		2	5	5	4	5	1	3
Compilation Total		16	21	17	23	29	15	12

Contest to Date: 6/30/02	Ford	Denton	L/M	Buick	Sho-Wil	Millsboro	Carnet
Deliveries (excluding CAC)	335	57	64	84	36	69	40
Finance Contracts	264	45	44	69	27	54	37
Lease Contracts	10	0	0	0	0	0	0
Sub-Prime (excluding CAC)	9	11	10	26	2	15	21
Used FMCC	25	7	16	8	5	18	1
Used Retail Sales	89	41	47	64	26	69	40
Used Cash Sales	19	6	14	10	8	15	3
Extended Service Plans	174	23	36	30	15	37	24
Credit Insurance Policies	37	0	0	2	0	15	3
Total F&I - CAC	\$417,872.03	\$57,678.22	\$65,121.00	\$65,329.39	\$22,853.00	\$90,837.02	\$53,671.77

* Tracy @

		Corrected month end June						
Contest to Date:		Ford	Denton	L/M	Buick	Sho-Wil	Millsboro	Carnet
6/30/02								
The Numbers								
Finance Penetration		82%	79%	69%	82%	75%	78%	93%
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% Over Benchmark		66%	35%	70%	-9%	-2%	82%	85%
Ford Credit Used Penetration		41%	29%	70%	29%	31%	46%	6%
% Over Benchmark		-4%	14%	30%	4%	-19%	-4%	-14%
Credit Insurance		15%	0%	0%	3%	0%	28%	8%
The Standings								
Finance Penetration		2	4	7	2	6	5	1
Service Contract Penetration		4	5	1	7	6	3	2
PVR		4	5	3	7	6	2	1
Ford Credit Penetration Used		4	2	1	3	6	4	5
Credit Insurance		2	5	5	4	5	1	3
Compilation Total		16	21	17	23	29	15	12

Priority

CORRESPONDENCE/NOTES

Dec 20, 2002

TO: Fice
FROM: Don Lavin
SUBJ: Tracy Palmer MTD.

I MET WITH Tracy Palmer THIS AFTERNOON TO EXPRESS UPPER MANAGEMENT CONCERNS RELATED TO THE MONTH TO DATE PERFORMANCE OF THE SUBARU FRANCHISE. KEY DISCUSSION POINTS ARE LISTED BELOW:

- CONCERN OVER NUMBER OF MISSED WORK DAYS DUE TO ILLNESS.
- THREE (3) SUBARU'S DELIVERED MONTH TO DATE
- IMPROPER MANAGEMENT OF Z TRAK KIOSK SYSTEM
- DISCUSSIONS WITH SUBARU FACTORY PERSONNEL CONCERNING INTERNAL DEALERSHIP ISSUES (STOP SALE FIXES)
- DISCUSSIONS WITH Tony Townsend REGARDING CONFIDENTIAL INFORMATION REVIEWED AT RECENT MANAGERS MEETING

<< Interrupted Transmission >>

CORRESPONDENCE/NOTES

Dec 20, 2002

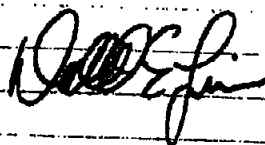
TO: Fice
FROM: Don Lavin
SUBJ: Tracy Palmer MTO.

I met with Tracy Palmer THIS AFTERNOON TO EXPRESS upper management concerns related to the month to date performance of the Subaru Franchise. Key Discussion Points are listed below:

- Concern over number of missed work days due to illness.
- Three (3) Subaru's delivered month to date
- Improper management of 2 TRAC Kiosk system
- Discussions with Subaru Factory personnel concerning internal dealership issues (stop sale fixes)
- Discussions with Tony Townsend regarding confidential information reviewed at recent managers meeting
- Ordering of Subaru jackets for sales personnel

Tracy felt she needed additional support in the following areas to insure success with Subaru:

- Letter from Castle Subaru Management to recently acquired NUCAR owner list
- Control number of used car sales personnel hanging out in the Subaru showroom
- Allowed to take scheduled day off without a hassle from GSW. More support in her showroom when she is not there (GSW/other MGRS)



Over

TRACY PALMEN

NOVEMBER 29TH, DUE IN AT 9:00 AM;
ARRIVED 9:50 AM - "TRAFFIC"

SAME DAY SCHEDULED UNTIL 5:00 PM LEFT
1 HOUR EARLY AT 4:00 PM - KIDNEY STONES

SAT
MEETING

NOVEMBER 23RD, DUE AT SALES MEETING AT 830 AM
ARRIVED AT 11:00 AM - CHILD COMPETITION.

DEC 2ND, DUE IN AT 9:00 AM, CALLED LATE,
THAN CALLED BACK-OUT AT 11:21 - KIDNEY STONES

DEC 3RD, DUE IN AT 12:00 PM & SCHEDULED UNTIL
9:00 PM, LEFT AT 6:00 PM - KIDNEY STONES -

DEC 4TH, CALLED OUT SICK

DEC 6TH, TRACY OUT ALL DAY - SURGERY.

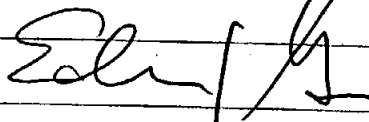
SAT MEETING DEC 7TH, DUE 830 AM (SAT) UNTIL 5:00 PM
IN AT 10:30 AND OUT AT 4:30 PM

(NEXT)

CONTINUED

SAT
MEETINGDECEMBER 14TH, DUE IN AT 830 (SAT MEETING)
FLU - ARRIVED AT 2:15 PMSAT
MEETINGDEC 21ST, SCHEDULED 8:30 TO 5:00 PM
LEFT AT 3:45 PM - CHILD HELICOPTERED TO
HOSPITAL - BROKE OUT IN HIVES.

ED GAVIN



GEN SALES MGR.

November 2002

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
					1	2
					All Saints' Day	
3	4	5	6	7	8	9
		Election Day				
10	11	12	13	14	15	16
	Veterans Day Remembrance Day (Canada)					
17	18	19	20	21	22	23
						Three is Hood child Complete
24	25	26	27	28	29	30
					Thanksgiving Early KIDNEY STONES	4 PM Hanukkah Original-Classic

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www.franklincovey.com

December 2002

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
1	2 Tracy DUE IN 9:00 Called late Kenny Stokes (Called back) OUT DAVID	3 Tracy 12:4 Let in 6:00 Family	4 Tracy OUT Sick	5 SNOW STORM CANCUN	6 Tracy OUT All DAY Surgery	7 Tracy IN 1030 OUT 430
8	9	10	11	12	13	14
		ANDY OUT DUE TO 11th Row scheduled Till 9pm OUT AT 5:00pm Daughter in Mental Hospital	DAVID OFF SAN FRANCISCO			TRACY DUE AT 8:30 FIRE IN AT 2:15pm
15	16	17	18	19	20	21
SAN FRANCISCO		DAVID BACK	ANDY VACATION DAVID OUT AT 6:00pm			TRACY out 3:45 CHLO Helicoptered TO Hospital Break-out Hives
22	23	24	25	26	27	28
				ANDY BACK		
29	30	31	Christmas	Boxing Day (Canada) Kwanzaa		
		New Year's Eve				

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Original-Classic

TERMINATION REPORT

☒ LAYOFF

☐ DEALER REQUESTED

☐ RESIGNATION

☐ OTHER

EMPLOYEE'S
NAME:

Tracey Palmer

LAST WORKING DAY: 12/28/02

REASONS FOR TERMINATION:

LACK OF PRODUCTION

PERFORMANCE REPORT:

OVERALL EVALUATION: ☒ UNSATISFACTORY

☐ SATISFACTORY

☐ OUTSTANDING

☐ MARGINAL

☐ SUPERIOR

ATTENDANCE RECORD: ☐ GOOD

☐ WARNING

☐ PROBATION

IS THIS EMPLOYEE REHIRABLE?

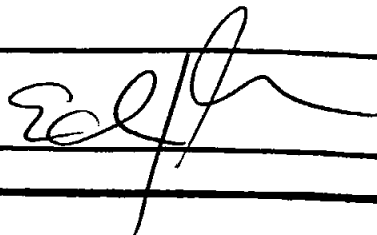
☐ YES

☐ NO

IF NOT REHIRABLE, WHY? (EXPLAIN IN FULL):

EMPLOYEE'S SUGGESTIONS FOR DEALER IMPROVEMENT:

MANAGER OR
DEALER'S SIGNATURE:



DATE: 12/28/02

Employee Termination Materials Turn-in Checklist

Please initial each line where item has been received/returned, and supply requested information:

1. Employee Handbook EH
2. Magnet-Tag Box Key EH (# on key)
3. Company Shirts N/A
4. Demo & Keys EH (stock #)
5. Dealer (Demo) Tag EH (tag #)
6. Company Ins. Card EH
7. Company Reg. Card EH
8. COBRA form NA

Manager Name EDW G...
Manager Signature [Signature]
Date 12/30/02

As agreed to in the employee handbook, employee will **NOT** be given any remaining monies due, until all items above have been received by an appropriate manager. This form shall be turned in to the accounting office, and inserted in the employee's file.

TRACY PALMAN
 HIRE DATE 10/1/02
 TERM DATE 12/28/02

	SALARY	DRAW	GROSS DEMO	TOTAL
11-Oct	900	400	42	1342
18-Oct	900	400	42	1342
25-Oct	900	400	42	1342
1-Nov	900	400	42	1342
8-Nov	900	400	42	1342
15-Nov	900	400	42	1342
22-Nov	900	400	42	1342
29-Nov	900	400	42	1342
6-Dec	900	400	42	1342
13-Dec	900	400	42	1342
20-Dec	900	400	42	1342
27-Dec	900	400	42	1342
TOTAL 2002 W-2	10800	4800	504	16104
3-Jan	900	400	42	1342
TOTAL EARNED	11700	5200	546	17446



CASTLE DEALERSHIPS

120 South Dupont Highway, New Castle, DE 19720
 telephone 302.323.1100 facsimile 302.323.9800

01/06/2003

ON 12/14/2002 CUSTOMER BARBARA BARRENTINE TOOK POSSESSION OF A USED 1998 ISRV, RODEO. AT THAT TIME THE LOAN WAS NOT APPROVED. THE SALES MANAGER WHO OK'D THE DELIVERY WAS TRACY PALMEN.

ON 12/21/2002 TRACY PALMEN SALES MANAGER AT CASTLE DEALERSHIPS CALLED ME BOB WEISEN AT MY EXTENSION IN MY OFFICE AND TOLD ME "I HAVE A DEAL YOU NEED TO RESIGN WITH SUNTRUST BANK, I SPOKE TO JACOB HUSSAIN AT SUNTRUST AND HE IS GOING TO APPROVE THE DEAL."

BARBARA + BRANDY BARRENTINE WILL BE HERE WITHIN THE HOUR.

THE DEAL WAS BROUGHT TO ME IN MY OFFICE I WENT THRU THE DEAL, THERE WASNT ANY APPROVAL'S FROM ANY BANK IN THE DEAL.

I THEN AT THAT TIME HAD THE CUSTOMER'S STANDING OUTSIDE MY OFFICE TO RESIGN PAPERS, SO I RESIGNED THEM ON SUNTRUST BANK CONTRACTS BECAUSE SHE SAID THE DEAL WOULD BE APPROVED.

AFTER I SIGNED UP NEW CONTRACTS WITH THE BARRENTINE I CALLED THE LOAN INTO SUNTRUST BANK FOR LOAN APPROVAL.




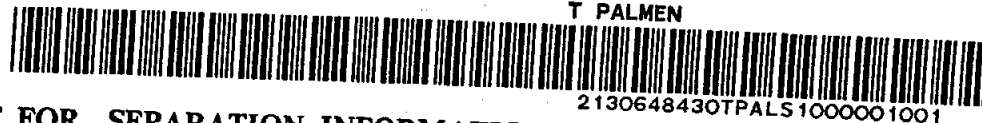
CASTLE DEALERSHIPS

120 South Dupont Highway, New Castle, DE 19720
telephone 302.323.1100 facsimile 302.323.9800

ABOUT one hour latter I Received A Fax From SunTrust Bank Declining the Loan. I then called back to SunTrust Bank AND SPEAKING TO THE CREDIT ANALYSIS JACOB HUSSAIN he said he could not buy the deal. I reminded him this is the deal that TRACY TALKED to you about. JACOB HUSSAIN said I never told TRACY I would buy the car loan, I only said I will see what I can do AND I can buy this customer on a car loan.

The only time I would bring a customer into Resign is if the loan I thought would get approved was declined AND I had a approval with a different bank. I would "never" bring a customer into Resign until I had AND approval in my hands.


Business mgr.



T PALMEN

2130648430TPALS1000001001

REQUEST FOR SEPARATION INFORMATION

EMPLOYER ACCOUNT NO. S1000001 1
LO# 60 TOWSON CLAIM CENTERDAVID STACY OF DELAWARE INC
122 S DUPONT HWY

NEW CASTLE

DE 19720-0000

RUN DATE: 01/07/2003

DUE DATE: 01/16/2003

INTERNET KEY: 3008P0644

EMPLOYEE SSN: 213064843

www.mdunemployment.com

↑ ↑

***FOR YOUR CONVENIENCE YOU CAN RESPOND VIA THE INTERNET (NO MAILING FORMS BACK!) SEE INTERNET SITE ABOVE:**
The claimant whose name is shown below has filed a claim for Unemployment Insurance benefits. The first week ending date affected by the current claim is 01/11/2003. Our records indicate that the claimant worked for you. Please answer the questions below, sign and mail this copy of the form in the enclosed envelope by the DUE DATE. **A PENALTY OF \$15 WILL BE ASSESSED IF THIS FORM IS RETURNED LATE OR INCOMPLETE.** NOTE: The Law provides penalties for false statements.

SSN

213-06-4843

TRACY

Employee's Name
E PALMEN

Other Last Name

Effective Date Of Original Claim
01/05/2003

REASON FOR SEPARATION FROM EMPLOYMENT

- ☐ 1. TEMPORARY LAYOFF (10 WEEKS OR LESS) (97)
EXPECTED DATE OF RETURN _____ MM/DD/YYYY
- ☐ 2. LACK OF WORK (DATE OF RETURN UNKNOWN) / REDUCTION IN FORCE / JOB/POSITION ABOLISHED / (99)
- ☐ 3. VACATION/HOLIDAY SHUT DOWN (28)
RETURN TO WORK DATE _____ MM/DD/YYYY
- ☐ 4. STILL EMPLOYED ON A CONTINUOUS PART TIME BASIS (41)
- ☐ 5. FOR TEMPORARY HELP FIRMS ONLY
END OF ASSIGNMENT (89)
Did claimant request another assignment? YES ☐ NO ☐
Is claimant still on your active rolls? YES ☐ NO ☐
- ☐ 6. QUIT (30)
- ☒ 7. FIRED (50)
- ☐ CHECK BOX IF THE CLAIMANT FOLLOWED YOUR INSTRUCTIONS AND WORKED TO THE BEST OF HIS/HER ABILITY
- ☐ 8. LEAVE OF ABSENCE (88)
- ☐ 9. SCHOOL VACATION (EDUCATIONAL INSTITUTIONS) (22)
RETURN TO WORK DATE _____ MM/DD/YYYY
- ☐ 10. LABOR DISPUTE/STRIKE/LOCKOUT (29)
- ☐ 11. NEVER EMPLOYED HERE

Note: If the reason for separation given by you on this form is something other than layoff or lack of work, you may be contacted by telephone to provide additional information when the claimant's fact finding interview is held.

FOR ANY PERIOD SINCE THE LAST DAY WORKED, HAS THE CLAIMANT RECEIVED, OR WILL HE/SHE RECEIVE:

1. PENSION OR ANY OTHER RETIREMENT PAYMENT? NO

PER MONTH \$ _____ EFFECTIVE DATE _____

LUMP SUM \$ _____
DID CLAIMANT CONTRIBUTE? YES ☐ NO ☐

2. PROFIT SHARING AMT \$ NO DATE PAID _____

3. BONUS OR SPECIAL PAYMENT \$ NO DATE PAID _____

4. SEVERANCE PAY \$ NO GROSS WEEKLY WAGE \$ _____

☐ Check Box if ALL benefits, including leave accrual, continue during severance period.

5. VACATION PAYS NO VAC. DATES FROM: _____ TO: _____

6. HOLIDAY PAY \$ NO DATE OF HOLIDAY(S) _____

Claimant's First Day of Work			Claimant's Last Day of Work		
MO	DAY	YR	MO	DAY	YR
10	01	02	12	28	02

GROSS WAGES EARNED SINCE 10/01/2002

\$ 17,446.00

(IF NECESSARY, ENTER APPROXIMATE AMOUNT)

If you recall this individual to work, or if this individual refuses an offer of work, you must notify the office in writing within 15 days of the job offer.

Name Of Employer David Stacy of Delaware Inc Date 1-15-03Name of Official Completing Form (Print) Edward Brown Signature [Signature]Person To Be Contacted For Further Info Above Their Telephone No: 302-323-1100E-Mail: X33.3

RETURN THIS FORM TO THE ADDRESS BELOW IN THE ENVELOPE PROVIDED. FOLD SO THE ADDRESS
SHOWS THROUGH THE WINDOW. DO NOT ATTACH ADDITIONAL DOCUMENTATION. YOU WILL BE
CONTACTED IF FURTHER INFORMATION IS NEEDED. RETAIN A COPY OF THIS FORM FOR YOUR RECORD.

60 TOWSON CLAIM CENTER
DEPARTMENT OF LABOR, LICENSING AND REGULATION
P.O. BOX 9756

213-06-4843

TOWSON

MD 21284-9756

RECALL - IF THE CLAIMANT REFUSES AN OFFER OF EMPLOYMENT WHILE RECEIVING BENEFITS,
NOTIFY THE OFFICE ABOVE IMMEDIATELY, IN WRITING.

OFFICE INFORMATION - Should you have any questions, please contact the office shown above. Routine
faxing of separation information is not permitted. Only fax unemployment insurance forms if they have not
been mailed by the due date printed on the form, or if requested to do so. If you fax the form, DO NOT
mail a duplicate copy.

OFFICE	TELEPHONE	FAX NO.
Baltimore Metro South Claims Center	(410) 368-5300	(410) 368-5302
College Park Claim Center	(301) 313-8075	(301) 313-8122
Combined Wage Claim Section	(410) 767-2553	(410) 767-2615
Cumberland Claim Center	(301) 723-2145	(301) 777-5978
Salisbury Claim Center	(410) 334-6868	(410) 543-6646
Towson Claim Center	(410) 853-1629	(410) 853-1668
Inquiry & Correspondence Unit	(410) 767-3470	(410) 767-3247

STATE OF MARYLAND
DEPARTMENT OF LABOR, LICENSING AND REGULATION
OFFICE OF UNEMPLOYMENT INSURANCE

NOTICE OF BENEFIT DETERMINATION

SSN: 213-06-4843
DATE MAILED: 01/17/2003
BENEFIT YEAR BEGINS: 01/05/2003

TOWSON CLAIM CENTER
P.O. BOX 9756
TOWSON

MD 21284 9756

MAIL REQUEST FOR APPEAL TO
CLAIM CENTER ADDRESS ABOVE

DAVID STACY OF DELAWARE INC
122 S DUPONT HWY

NEW CASTLE

DE 19720 0000

ISSUE SIMPLE MISCONDUCT
SECTION OF LAW 8-1003
DATE OF DETERMINATION 01/17/2003
SPECIALIST ID EUTW64

TRACY E PALMEN
133 HILLTOP DR

CHESTERTOWN

MD 21620 2046

THE LAST DAY TO FILE AN APPEAL IS: 02/03/2003
(IF THIS DECISION IS CHANGED ON APPEAL, THE CLAIMANT
WILL BE REQUIRED TO REPAY ANY RESULTING OVERPAYMENT.)

DETERMINATION:

THE CLAIMANT WAS DISCHARGED OR SUSPENDED BY
DAVID STACY OF DELAWARE INC ON 12/28/2002 BECAUSE THE CLAIMANT'S
QUALITY OF WORK DID NOT MEET WITH COMPANY STANDARDS. HOWEVER, THE
CIRCUMSTANCES SURROUNDING THE SEPARATION DO NOT WARRANT A DISQUALIFICATION
UNDER SECTION 8-1002 OR 8-1003 OF THE MARYLAND UNEMPLOYMENT INSURANCE LAW.

BENEFITS ARE ALLOWED, IF OTHERWISE ELIGIBLE.

APPEAL RIGHTS:

CLAIMANT AND EMPLOYER: Section 8-509 of the Maryland Unemployment Insurance Law provides the right to appeal this determination. The appeal must be in writing and should be mailed to the address (above) within (15) days of the determination. The appeal must be postmarked within (15) days of the date of this determination. A claimant who appeals a determination and remains unemployed must continue to file timely claims for each week. **NO LATE CLAIMS WILL BE ACCEPTED.** If an appeal decision results in reversal or modification of this determination, the claimant may be paid benefits previously denied or may be overpaid benefits previously paid.

SECTION
OF LAW

PROVISIONS OF THE LAW REGARDING BENEFITS

- 8-801 The claimant must be totally or partially unemployed through no fault of his/her own.
- 8-803 A claimant must report all earnings for each week he/she files claims for unemployment insurance benefits.
- 8-804 The dependents allowance is payable only if the claimant provides support for the dependent child under 16 years of age at the beginning of the claimant's benefit year.
- 8-809 If the claimant has received benefits for which he/she is found to have been ineligible, the claimant must repay those benefits. In addition, the amount may be recovered from benefits payable to the claimant in the future.
- 8-809 If the claimant knowingly made a false statement or failed to disclose material facts in order to obtain benefits, he/she will be disqualified for one year, must repay all benefits received, and may be prosecuted.
- 8-901 The claimant must file a claim for each week of unemployment in accordance with regulations.
- 8-902 The claimant must register for work and continue to report and keep his/her registration active.
- 8-903 The claimant must be able to work and available for work and make a reasonable effort to find work.
- 8-910 The claimant who received benefits in a previous benefit year shall not be eligible for future benefits unless the claimant has worked for an employer and earned wages equal to ten times his/her new weekly benefit amount after the beginning of the first of such benefit years.
- 8-1001 If the claimant voluntarily left work without good cause, the claimant may be disqualified from five to ten weeks or until he/she has become reemployed and earned fifteen times his/her weekly benefit amount. If a claimant voluntarily leaves work to become self-employed, to accompany or join a spouse in a new locality or to attend an educational institution the claimant will be disqualified until he/she has become reemployed and earned fifteen times his weekly benefit amount.
- 8-1002 If the claimant was discharged or suspended for gross misconduct connected with the work, the claimant will be disqualified until he/she becomes reemployed and has earned twenty times his/her weekly benefit amount.
- 8-1002.1 If the claimant was discharged or suspended for aggravated misconduct connected with the work, the claimant will be disqualified until he/she has become reemployed and has earned thirty times his/her weekly benefit amount.
- 8-1003 If the claimant was suspended or discharged for misconduct (not gross) connected with the work, the claimant may be disqualified from five to ten weeks.
- 8-1004 If the claimant's unemployment is due to a stoppage of work because of a labor dispute (other than a lockout) he/she will be disqualified for the duration of the stoppage of work.
- 8-1005 If the claimant failed, without good cause, to apply for available, suitable work, or to accept such work when offered to him/her, the claimant may be disqualified from five to ten weeks or until he/she becomes reemployed and has earned ten times his/her weekly benefit amount.
- 8-1006 If the claimant has applied for or is receiving unemployment benefits under the laws of another State or of the United States, the claimant is not eligible for benefits in Maryland.
- 8-1007 If the claimant is receiving vacation or holiday pay and has a definite return to work date at the time of separation, benefits will be denied or reduced for the week(s) to which the pay applies.
- 8-1008 If the claimant is receiving a pension, annuity, profit sharing, or retirement pay other than Social Security, or any other similar periodic payment based on his/her previous work for a base period employer, benefits will be denied or reduced.
- 8-1009 If the claimant receives dismissal pay, benefits will be denied or reduced for the week(s) to which the pay applies.
- NOTE: No disqualification shall be applied under this Section if the claimant's unemployment is due to abolition of his/her job.

DECEMBER 2002

- TRACY CAME TO ME AND WAS TELLING ME HOW DAVID WAS GROOMING HER.
- 12/14/02 TRACY CAME TO ME AT APPROX 9:30 AM AND INFORMED ME THAT DAVID GRABBED HER AND TRIED TO SUCK FACE WITH HER. THIS HAPPENED OUTSIDE OF THE SUBARU SHOW ROOM. TRACY WAS MAD AS SHE WAS TELLING ME THIS. SHE ALSO CLAIMED THAT THERE WERE PEOPLE THERE, TROY MANN BEING ONE OF THEM. SHE ALSO CLAIMED THAT SHE PUNCHED AND ELBOWED DAVID AND THAT SHE HURT HIM.
- ON 12/18/02 TRACY AND I ATTENDED A SUBARU MEETING. SHE WAS LATE AND CLAIMED TO HAVE GOTTEN LOST. SHE ONCE AGAIN TOLD ME THAT SHE WAS MAD AT DAVID FOR WHAT HAPPENED. SHE ALSO STATED THAT DAVID WAS SHOWING HER THE NAKED PICTURES OF HERSELF THAT SHE CLAIMED TO HAVE TAKEN. SHE STATED THAT SHE TRIED TO MODEL WHEN SHE WAS YOUNGER. SHE STATED THAT SHE TOLD DAVID THIS AND HE KEPT ASKING FOR THEM. ALSO TRACY HAD TAKEN 6 PHONE CALLS 1 FROM TROY & 1 FROM MOOREY IN DETAIL.

Tracy

DECEMBER '02"

- 12/20/02 AT APPROX 11:30^{AM} I WENT TO DAVID AND INFORMED HIM OF THE THINGS THAT TRACY TOLD ME. DAVID AND I SPOKE BRIEFLY AND I RECOMMENDED TO BRING DON LAVIN IN. WE CALLED DON LAVIN IN AND DAVID ASKED ME TO TELL DON WHAT I TOLD DAVID. I WENT THROUGH ALL THE DETAILS WITH DON AND DAVID. AFTER I EXPLAINED WHAT I HAD TO EXPLAIN, I LEFT DAVID AND DON ALONE.

Jeany

DECEMBER "02"

- 12/28/02 APPROX 9:45 AM TRACY CAME TO ME AND INFORMED ME THAT SHE WAS LATE AND THAT DAVID LOCKED HER OUT OF THE MEETING AND THAT HE WAS MAD AT HER DUE TO THE FACT THAT SHE DID NOT SHOW HER THE PAGES PICTURES.

THE LAW OFFICES OF JEFFREY M. WEINER
A PROFESSIONAL ASSOCIATION

February 13, 2003

Charles M. Oberly, III, Esquire
Oberly, Jennings & Rhodunda
800 Delaware Avenue, Suite 901
P.O. Box 2054
Wilmington, Delaware 19899

Re: Tracy Palmen

Dear Charlie:

On behalf of the Castle Dealerships, I am authorized to respond to the comments you shared with me on Thursday, February 6, 2003.

1. Ms. Palmen's employment was terminated for lack of production.

Ms. Palmen was hired effective October 1, 2002 pursuant to a written Pay Plan, a copy of which is enclosed herewith as Exhibit A. Essentially this Pay Plan was a three-month trial period, from October 1, 2002 through December 31, 2002 during which Ms. Palmen was to receive not only her \$900 weekly salary but also guaranteed a \$400 weekly draw against bonus. Ms. Palmen's performance was so dismal that bonuses she earned were far less than her monthly draw against bonus during each and every month of her employment.

For example, the projection for October sales was 18 cars; Ms. Palmen and her group sold 9 cars; the projection for November was again 18 cars; Ms. Palmen and her group sold 18 cars; the projection for December was 20 cars; as of her December 20, 2002 meeting with Don Lavin, Ms. Palmen and her group had sold 3 cars. Parenthetically, the production does not change significantly taking into account the entire month of December: There were 3 cars sold on December 27 (a day when it appears that Ms. Palmen was not at work); 1 car sold on December 28, and 2 cars sold on December 31 totaling less than one-half of the targeted production for the entire month of December, 2002.

1332 KING STREET, WILMINGTON, DELAWARE 19801
(302) 652-0505 • TELECOPIER (302) 652-7824

Castle Dealerships

THE LAW OFFICES OF JEFFREY M. WEINER

Tracy Palmen

February 13, 2003

Page Two

I also compared and contrasted the production of Ms. Palmen and her sales staff with that of the other two sales managers and their respective staff for the month of December, 2002. The projection for Hyundai was 48 vehicles; that sales manager and staff sold 47 vehicles. The projection for Acura for December, 2002 was 36 vehicles; that sales manager and staff sold 42 vehicles.

None of this should come as any surprise to Ms. Palmen. On December 20, 2002, she met with Don Lavin and he reviewed in detail with her management's concerns relating to her lack of performance. Lavin memorialized his meeting with a Memo to File, a copy of which I am enclosing with this letter (**Exhibit B**).

In addition, Ms. Palmen told the Office of Unemployment Insurance, Department of Labor, Licensing and Regulation of the State of Maryland that she was discharged because her "quality of work did not meet with company standards." A copy of the State of Maryland Notice of Benefit Determination received by the Castle Dealerships is enclosed herewith as **Exhibit C**.

In summary, Ms. Palmen's employment was terminated based upon the lack of production of Ms. Palmen and her sales staff at the conclusion of the period for which she was guaranteed a \$400 draw against bonus.

2. **Ms. Palmen was not sexually harassed by anyone at the Castle Dealerships.**

Since February 6, I have devoted approximately 5 hours interviewing, separately and privately, employees of the Castle Dealerships and cannot find any support for any claim by Ms. Palmen that she was sexually harassed.

Ms. Palmen did advise Employee A (who was not her supervisor/manager), that Employee B "grabbed her and tried to suck face with her" outside the Subaru showroom. Ms. Palmen claimed that she punched and elbowed Employee B and that she hurt

THE LAW OFFICES OF JEFFREY M. WEINER

Tracy Palmen

February 13, 2003

Page Three

Employee B. She also claimed that all of this was witnessed by Employee C.

I interviewed Employee C, and he vehemently denied observing Employee B grabbing or otherwise touching Ms. Palmen at any time during their concurrent employment. Likewise, Employee C denied observing Ms. Palmen punch and elbow Employee B at any time during their concurrent employment.

On the other hand, Employee C did corroborate that an incident involving touching did occur with Ms. Palmen and Employee D, a used car salesman, when Employee D attempted to remove and look at something from Ms. Palmen's desk drawer and she did not want him to do so.

During the course of my investigation, I also discovered that soon after Employee D was hired, Ms. Palmen and Employee D had an intimate relationship that lasted for several weeks even though the Employee could be considered, even if not direct, a subordinate of Ms. Palmen.

Suffice it to state, Employee B vehemently denied any attempt to, yet alone, actual grabbing of Ms. Palmen's breasts and/or buttocks.

Lastly, Ms. Palmen apparently did volunteer to a number of Castle employees that she attempted to model when she was younger and claimed to have naked pictures of herself that were taken professionally and that Ms. Palmen's disclosure did produce some jesting with her as to when she was going to bring in her pictures.

* * * * *

In conclusion, based upon my interview of virtually every Castle employee who might have any knowledge as to Ms. Palmen's claim, the absence of any corroboration therefor, the vehement denial of Employee B, the denial of Employee C of witnessing that which Ms. Palmen told Employee A had occurred in the presence of

THE LAW OFFICES OF JEFFREY M. WEINER

Tracy Palmen
February 13, 2003
Page Four

Employee C and the irrefutable documentation of her lack of production during the three months when she was guaranteed her salary and draw against bonus, the Castle Dealerships consider Ms. Palmen's claims to be without merit. Nevertheless, should there be any aspect of this matter that requires further discussion, including without limitation your allowing me the opportunity to take a recorded statement of Ms. Palmen, please do not hesitate to contact me.

Very truly yours,

By: 

Jeffrey M. Weiner

JMW/sls
#20773-19



STATE OF DELAWARE
DEPARTMENT OF LABOR
DIVISION OF INDUSTRIAL AFFAIRS
4425 NORTH MARKET STREET
WILMINGTON, DELAWARE 19802

TELEPHONE (302) 761-8200
FAX (302) 761-6601

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 30, 2003

Personnel Manager
David Stacey of Delaware, Inc.
t/a Castle Dealerships
122 South DuPont Highway
New Castle, DE 19720

RE: Palmen v. David Stacey of Delaware, Inc. t/a Castle Dealerships
Case No.: 04031020/17CA300368

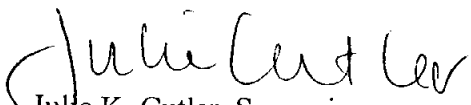
Dear Sir/Madam:

The above-referenced Charge of Discrimination, a copy of which is enclosed, has been filed against your company. In an effort to provide a quick and amicable resolution to the charge, I have included a "No Fault Settlement Invitation". If you are interested in negotiating a settlement, mark the "Yes" box on the form, sign it and return it to me within twenty (20) days from the date of this letter.

If you are not interested in negotiating a settlement, you should check the "No" box on the No Fault Settlement form, and within twenty (20) days from the date of this letter, you must provide a "Position Statement" to our office regarding this charge and return it to our office with the No Fault Settlement Form. The Position Statement should include any and all information which you believe to be pertinent in addressing the allegations contained in the Charge of Discrimination. You should also include copies of any documents or other evidence supporting your position. Also, you must complete and return the enclosed "General Respondent Questionnaire."

This request for information does not, necessarily, represent the entire body of evidence needed to complete our investigation. If you have any questions, you may contact me at 761-8200. Thank you for your attention and anticipated cooperation.

Sincerely,


Julie K. Cutler, Supervisor
Office of Labor Law Enforcement

JKC/lcm

Enclosures

CHARGE OF DISCRIMINATION

ENTER CHARGE NUMBER

This form is affected by the Privacy Act of 1974

☐ FEPA
☐ EEOC

Delaware Department of Labor

and EEOC

(State, or local Agency, if any)

NAME (Indicate Mr., Mrs., Ms)

Ms. Tracey Elizabeth Palmen

HOME TELEPHONE NO. (Include Area Code)

(410) 810-3158

STREET ADDRESS

CITY, STATE AND ZIP CODE

COUNTY

133 Hilltop Drive Chestertown MD 21620 Queen Anne

NAMED IS THE EMPLOYER, LABOR ORGANIZATION, EMPLOYMENT AGENCY, APPRENTICESHIP COMMITTEE, STATE OR LOCAL GOVERNMENT AGENCY WHO DISCRIMINATED AGAINST ME (If more than one, list below.)

NAME

David Stacey of Delaware, Inc. t/a
Castle DealershipsNO. OF EMPLOYEES OR
MEMBERS 70+TELEPHONE NUMBER (Incl. Area Code)
(302) 323-1100

STREET ADDRESS

CITY, STATE AND ZIP CODE

122 South duPont Highway, New Castle, DE 19720

NAME

TELEPHONE NUMBER (Include Area Code)

STREET ADDRESS

CITY, STATE AND ZIP CODE

☐ RACE ☐ COLOR ☒ SEX ☐ RELIGION ☐ NATIONAL ORIGIN ☐ AGE

☒ RETALIATION ☐ DISABILITY ☐ OTHER (Specify)

DATE DISCRIMINATION TOOK PLACE

EARLIEST 10/1/2002

LATEST 12/28/2002

☐ CONTINUING ACTION

THE PARTICULARS ARE (If additional space is needed, attached extra sheet(s):

I be my employment with Respondent on October 1, 2002. I am a female. Since my initial interview I have been subjected to sexual harassment from David Wendkos, Vice President/General Manager. After my interview, Wendkos asked me how I "felt about sexual harassment." I conveyed to him the unwelcomeness of his remark. However, the sexually harassing behavior continued, which included sexual comments about my body. The sexual harassment increased to the point of unwelcome physical touching that was sexual in nature. In November of 2002, I had to push Wendkos off of my lap, push him away from his sexual advances (which included him grinding his hips into me from behind), and endured him making comments about my "butt." At one point, Wendkos was so forceful in touching my private areas that I was forced to slap him in the face and cause his lip to bleed. Wendkos continually asked me about my sex life. The harassment culminated in November, when alone in the Acura building, Wendkos sexually assaulted me, by being pushed up against the stairwall and attempting to put his hands down my pants, and by putting his hands up my shirt and touching my breasts. Wendkos indicated that he wanted to "suck my breast" and then he would leave me alone. Afterwards, I conveyed my reports of this incident to Ed Gavin, General Sales Manager, who told me that it was okay, because "David won't hurt anyone." The harassment still continued, with Wendkos badgering me about my sex life, and requesting that I provide him with nude photos. On December 28, 2002, I told Wendkos that I was not going to the Christmas party, and only hours later I was informed that I was terminated. I was told I was terminated after Respondent had not sold enough cars, only days after we were informed Respondent had sold more than any cars percentage-wise than other area dealerships.

I believe that, in violation of Title VII of the Civil Rights Act of 1964, as Amended, and Title 19 of the Delaware Code, Chapter 7, as Amended, I was discriminated against by being sexually harassed and retaliated against, based on the actions of Wendkos, and subsequent termination after I complained of the sexual harassment.

☒ I also want this charge filed with the EEOC. I will advise the agencies if I change my address or telephone number and I will cooperate fully with them in the processing of my charge in accordance with their procedures.

SIGNATURE OF COMPLAINANT

I swear or affirm that I have read the above charge and that it is true to the best of my knowledge, information and belief.

NOTARY - (When necessary to meet State and Local Requirements)

Subscribed and sworn to before me this date

(Day, month, and year)

Under penalty of perjury that the foregoing is true and correct.

Charging Party (Signature)

Castle Dealerships

NO FAULT SETTLEMENT INVITATION

CASE NAME: Palmen v. David Stacey of Delaware, Inc. t/a Castle Dealerships
CASE NO.: 04031020/17CA300368

The objective of a No Fault Settlement is to promote early resolution of charges whenever possible. This settlement process is initiated only upon the request of the Respondent and/or Charging Party. Upon notification that you wish to attempt a No Fault Settlement, a Labor Law Enforcement Officer will discuss a proposed means of settlement with you. Any proposed settlement is, of course, negotiable. If a settlement proposal is acceptable to the parties, no further investigation is conducted to discover whether discrimination actually occurred, nor is a determination issued as to the merits of the charge.

No prejudice will result from your decision to accept or reject this invitation. Should you decide to participate in settlement attempts, your decision will not be construed as an admission of a violation of 19 Del. C. Ch. 7. In the event that negotiations fail, the Department of Labor will proceed with an investigation of the charges.

The advantages of such a procedure (as opposed to a full investigation) are considerable. First, there is the limitation of financial liability. In cases involving back pay, expeditious resolution of a charge curtails the increase in back pay liabilities. Additionally, a Respondent is spared the normal disruptions of a lengthy investigation, a possible adverse determination (leading to the conciliation process), and the prospect of the charge being litigated.

☒ YES We accept your invitation to attempt a No Fault Settlement. We understand that we may be asked to furnish information necessary to propose a remedy and prepare an agreement.

☐ NO We do not want to attempt a settlement at this time and wish to proceed with the investigation. We understand that, within fifteen days from the date of this letter, we must provide a position statement with supporting documentation and complete and return the enclosed questionnaire to the Department of Labor.

Name and Title of Authorized Representative:

Jeffrey M. Weiner, Esq. / Attorney for David Stacy of Delaware, Inc. t/a Castle Dealerships

Signature: _____ Date: 5/19/03

Telephone Number: 302-652-0505

THE LAW OFFICES OF JEFFREY M. WEINER
A PROFESSIONAL ASSOCIATION

May 19, 2003

BY HAND

Delaware Department of Labor
Division of Industrial Affairs
Attn: Julie K. Cutler, Supervisor
Office of Labor Law Enforcement
4425 N. Market Street
Wilmington, DE 19802

Re: Palmen v. David Stacy of Delaware, Inc.
t/a Castle Dealerships
Case No.: 04031020/17CA300368

Dear Supervisor Cutler:

I represent David Stacy of Delaware, Inc. t/a Castle Dealerships. Although my client vehemently disputes Ms. Palmen's discrimination/harassment claim, without admission and/or prejudice, we are accepting the No Fault Settlement Invitation and returning same to you with this letter.

On the other hand, set forth hereinafter is the position of the Castle Dealerships, along with a copy of Ms. Palmen's personnel file.

1. Ms. Palman's employment was terminated for lack of production. Ms. Palmen was hired effective October 1, 2002, pursuant to a written Pay Plan (See pg. 6). Essentially this Pay Plan was a three-month trial period, from October 1, 2002 through December 31, 2002, during which Ms. Palmen was to receive not only her \$900 weekly salary, but also guaranteed a \$400 weekly draw against bonus. Ms. Palmen's performance was so dismal that bonuses she earned were far less than her monthly draw against bonus during each and every month of her employment (See pg. 37).

For example, the projection for October sales was 18 cars; Ms. Palmen and her group sold 9 cars; the projection for November was again 18 cars; Ms. Palmen and her group sold 18 cars; the projection for December was 20 cars; as of her December 20, 2002 meeting with Donald Lavin, Ms. Palmen and her group had sold 3

THE LAW OFFICES OF JEFFREY M. WEINER

May 19, 2003

Page 2

cars. Parenthetically, the production does not change significantly taking into account the entire month of December: There were 3 cars sold on December 27 (a day when it appears that Ms. Palmen was not at work); 1 car sold on December 28, and 2 cars sold on December 31, totaling less than one-half of the targeted production for the entire month of December 2002. The goal of the Castle Dealerships was to reach 35 new Subaru sales per month commencing in January 2003.

The production of Ms. Palmen and her sales staff was compared and contrasted with that of the other two sales managers and their respective staff for the month of December 2002. The projection for Hyundai was 48 vehicles; that sales manager and staff sold 47 vehicles. The projection for Acura for December 2002 was 36 vehicles; that sales manager and staff sold 42 vehicles.

Ms. Palmen was well-aware of the issues involving her production.

On December 20, 2002, she met with Donald Lavin and he reviewed in detail with her management's concerns relating to her lack of performance. Lavin memorialized his meeting with a Memorandum to File (See pg. 30). Although offered the opportunity, at no time during the course of Ms. Palmen's meeting with Mr. Lavin did she express any complaint of discrimination/harassment.

In addition, Ms. Palmen told the Office of Unemployment Insurance, Department of Labor, Licensing and Regulations of the State of Maryland that she was discharged because her "quality of work did not meet company standards" (See pg. 41).

In summary, Ms. Palmen's employment was terminated based upon the lack of production of Ms. Palmen and her sales staff at the conclusion of the period for which she was guaranteed a \$400 draw against bonus.

2. Ms. Palmen was not sexually harassed by anyone at the Castle Dealerships. There is no factual basis for Ms. Palmen's claim that she was discriminated/sexually harassed at the Castle Dealerships and all allegations in connection therewith are denied.

On December 14, 2002, Ms. Palmen did advise Luca Folgias, an

THE LAW OFFICES OF JEFFREY M. WEINER

May 19, 2003

Page 3

employee of the Castle Dealerships who is not her supervisor/manager, that David Wendkos "grabbed her and tried to suck face with her" outside the Subaru showroom. Ms. Palmen claimed that she punched and elbowed David Wendkos and that she hurt him. She claimed that all of this was witnessed by Troy Mann, another employee of the Castle Dealerships.

Troy Mann was interviewed at length. Mr. Mann vehemently denied observing David Wendkos grabbing or otherwise touching Ms. Palmen at any time during their concurrent employment. Likewise, Mr. Mann denied observing Ms. Palmen punch and elbow David Wendkos at any time during their concurrent employment.

On the other hand, Mr. Mann did corroborate that an incident involving touching did occur with Ms. Palmen and another male employee, a used car salesman, when that employee attempted to remove and look at something from Ms. Palmen's desk drawer and she did not want him to do so. That other employee corroborated, generally, such an incident and indicated that soon after he was hired, Ms. Palmen and he had an intimate relationship that lasted for several weeks even though he could be considered, if not a direct, a subordinate of Ms. Palmen.

Lastly, Ms. Palmen apparently did volunteer, to a number of employees of the Castle Dealerships, that she attempted to model when she was younger and claimed to have naked pictures of herself that were taken professionally. Ms. Palmen's disclosure did produce some jesting with her as to when she was going to bring in her pictures.

Very truly yours,

By: _____

Jeffrey M. Weiner

JMW/cm
20773-



STATE OF DELAWARE
DEPARTMENT OF LABOR
DIVISION OF INDUSTRIAL AFFAIRS
4425 NORTH MARKET STREET
WILMINGTON, DELAWARE 19802

TELEPHONE (302) 761-8200
FAX (302) 761-6601

August 1, 2003

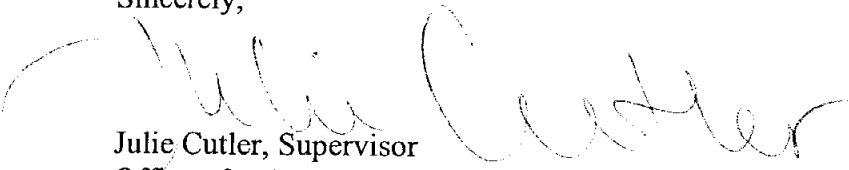
Jeffrey M. Weiner, Esquire
1332 King Street
Wilmington, DE 19801

RE: Palmen v. David Stacey of Delaware, Inc. t/a Castle Dealerships
Case No.: 04031020/17CA300368
Notice of Case Status

Dear Mr. Wiener:

The above-referenced Charge of Discrimination which was filed with this Agency will be assigned to an investigator in due course. Please feel free to forward any/all documentation in support of your position to my attention in the interim. Upon assignment, you will receive written notification of the name of the investigator assigned to the case. Thank you for your attention to this matter.

Sincerely,


Julie Cutler, Supervisor
Office of Labor Law Enforcement

JKC/lcm

THE LAW OFFICES OF JEFFREY M. WEINER
A PROFESSIONAL ASSOCIATION

August 8, 2003

Certified Mail - Return Receipt Requested

Delaware Department of Labor
Division of Industrial Affairs
Attn: Julie K. Cutler, Supervisor
Office of Labor Law Enforcement
4425 N. Market Street
Wilmington, DE 19802

Re: Palmen v. David Stacy of Delaware, Inc. t/a
Castle Dealerships - Case #04031020/17CA300368

Dear Supervisor Cutler:

On behalf of David Stacy of Delaware, Inc. t/a Castle Dealerships, this letter will acknowledge receipt of your letter dated August 1, 2003, indicating that Ms. Palmen's Complaint will be assigned to an investigator.

On behalf of Castle Dealerships, we appreciate the Division's opportunity to submit additional documents; however, upon reviewing our file, we submitted Ms. Palmen's entire personnel file with our May 19, 2003 cover letter and acceptance of the Division's No-Fault Settlement Invitation. For your convenience, we are enclosing a copy of our May 19, 2003 letter, No-Fault Settlement Invitation Acceptance and documents enclosed with our May 19, 2003 letter.

Very truly yours,

By: 
Jeffrey M. Weiner

JMW/cm
Enclosure
20773-

STATE OF DELAWARE
DEPARTMENT OF LABOR
DIVISION OF INDUSTRIAL AFFAIRS – DISCRIMINATION UNIT

Ms. Tracey Elizabeth Palmen
133 Hilltop Drive
Chestertown, MD 21620

State Case No.: 03041020

vs.

David Stacey of Delaware, Inc. t/a Castle Dealerships
The Law Offices of Jeffrey M. Weiner
1332 King Street
Wilmington, DE 19801

FINAL DETERMINATION AND RIGHT TO SUE NOTICE

Pursuant to 19 Del. C. § 710, *et seq.*, the parties in the above-captioned matter are hereby Noticed of the Department's Final Determination and Right to Sue Notice, as follows:

No-Cause Determination and Dismissal with Corresponding Right to Sue Notice.

In this case, the Department has completed its investigation and found that there is no reasonable cause believe that an unlawful employment practice has occurred. The Department hereby issues a No-Cause Determination and Dismissal and provides the Charging Party with a Delaware Right to Sue Notice.

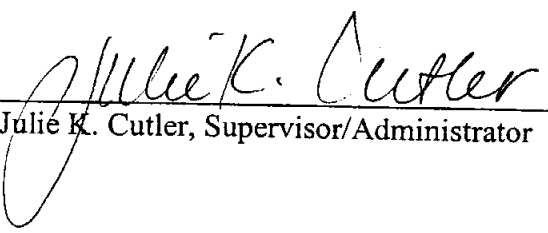
This No Cause determination is based on the following facts:

The evidence provided indicates that Charging Party was terminated for lack of production during her period of probation and not as a form of retaliation for reporting sexual harassment. Respondent claims that Charging party was never sexually harassed nor did she report to Respondent that she was sexually harassed. Witnesses failed to corroborate Charging Party's allegations. Charging Party failed to provide any further evidence of discrimination.

See the attached Notice of Rights.

This Final Determination is hereby issued on behalf of the Department of Labor, Division of Industrial Affairs, Discrimination Unit.

9/30/04
Date issued


Julie K. Cutler, Supervisor/Administrator

Delaware Department of Labor, Division of Industrial Affairs, 4425 N. Market St., Wilmington, DE 19802

DEC 22 2004 5:12PM HP LASERJET 3200

P. 2

EEOC Form 161 (3/98)

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

DISMISSAL AND NOTICE OF RIGHTS

To: Tracey E. Palmen
133 Hilltop Drive
Chestertown, MD 21620

From: Philadelphia District Office
21 South 5th Street
Suite 400
Philadelphia, PA 19106

☐ On behalf of person(s) aggrieved whose identity is
CONFIDENTIAL (29 CFR § 1601.7(a))

EEOC Charge No.

EEOC Representative

Telephone No.

17C-2003-00368

State & Local Unit

(215) 440-2600

THE EEOC IS CLOSING ITS FILE ON THIS CHARGE FOR THE FOLLOWING REASON:

- ☐ The facts alleged in the charge fail to state a claim under any of the statutes enforced by the EEOC.
- ☐ Your allegations did not involve a disability as defined by the Americans with Disabilities Act.
- ☐ The Respondent employs less than the required number of employees or is not otherwise covered by the statutes.
- ☐ Your charge was not timely filed with EEOC; in other words, you waited too long after the date(s) of the alleged discrimination to file your charge.
- ☐ Having been given 30 days in which to respond, you failed to provide information, failed to appear or be available for interviews/conferences, or otherwise failed to cooperate to the extent that it was not possible to resolve your charge.
- ☐ While reasonable efforts were made to locate you, we were not able to do so.
- ☐ You were given 30 days to accept a reasonable settlement offer that affords full relief for the harm you alleged.
- ☐ The EEOC issues the following determination: Based upon its investigation, the EEOC is unable to conclude that the information obtained establishes violations of the statutes. This does not certify that the respondent is in compliance with the statutes. No finding is made as to any other issues that might be construed as having been raised by this charge.
- ☒ The EEOC has adopted the findings of the state or local fair employment practices agency that investigated this charge.
- ☐ Other (briefly state)

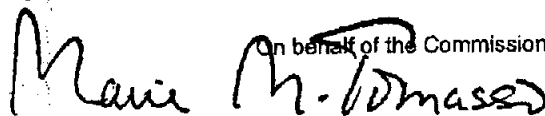
- NOTICE OF SUIT RIGHTS -

(See the additional information attached to this form.)

Title VII, the Americans with Disabilities Act, and/or the Age Discrimination in Employment Act: This will be the only notice of dismissal and of your right to sue that we will send you. You may file a lawsuit against the respondent(s) under federal law based on this charge in federal or state court. Your lawsuit **must be filed WITHIN 90 DAYS** of your receipt of this Notice; or your right to sue based on this charge will be lost. (The time limit for filing suit based on a state claim may be different.)

Equal Pay Act (EPA): EPA suits must be filed in federal or state court within 2 years (3 years for willful violations) of the alleged EPA underpayment. This means that **backpay due for any violations that occurred more than 2 years (3 years) before you file suit may not be collectible.**

On behalf of the Commission



December 20, 2004

Enclosure(s)

Marie M. Tomasso,
Director

(Date Mailed)

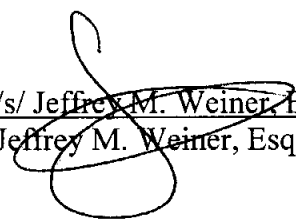
cc: DAVID STACEY OF DELAWARE, INC./T/A Castle Dealerships
Attn: Hum. Res. Officer
122 South Dupont Highway
New Castle, DE 19720

Karen Sullivan
Oberly, Jennings & Rhodunda, P.A.
800 Delaware Ave., Suite 901
PO Box 2054
Wilmington, DE 19899

CERTIFICATE OF SERVICE

I, Jeffrey M. Weiner, Esquire, hereby certify that copies of the attached Defendants' Initial Rule 26(a)(1) Disclosures were E-served this 4th day of May, 2005 as follows:

Charles M. Oberly, III, Esquire
Karen V. Sullivan, Esquire
Oberly, Jennings & Rhodunda, P.A.
800 Delaware Avenue, Suite 901
P.O. Box 2054
Wilmington, Delaware 19899


/s/ Jeffrey M. Weiner, Esquire #403
Jeffrey M. Weiner, Esquire